REMARKS

New claim 26 has been added. Claims 1-26 are pending.

As required by the Examiner, a new declaration in compliance with 37 C.F.R. §1.67 and listing the citizenship of the inventors is enclosed. .

Claims 7, 10 and 12 have been amended to correct the lack of antecedent basis. In view of the amendments, applicant respectfully requests that the Examiner withdraw the rejections under 35 U.S.C. § 112, par. 2.

In the Office action, claims 1-25 were rejected as anticipated by U.S. Patent No. 6,311,165 (Coutts et al.). As discussed below, applicant respectfully requests reconsideration.

The pending claims include independent claims 1, 7, 14, 22 and 25. Original claim 22 recites that the software code for each transaction unit is uploaded to a controller unit from the respective transaction unit. As a result of the accompanying amendments, similar features have been added to independent claims 1, 14 and 25. New claim 26 (dependent on claim 7) also includes this feature. The written description has been amended accordingly.

Such an arrangement may provide the advantage that a new unit of completely arbitrary type can be added to an existing transaction system and function correctly with the other units under the control of a central controller in which the software units are integrated to facilitate information exchange. That may be accomplished without requiring either (a) an on-line system with a central, remote software-storing server or (b) a system that incorporates high-powered "intelligent" transaction units (see, e.g., Specification, page 2, line 21 - page 3, line 6).

The Coutts et al. patent relates to networked transaction systems having a central server and a terminal having a number of peripheral devices, such as a cash dispenser, card reader, etc. The systems disclosed by the Coutts et al. patent have peripheral devices that download software

from the central server and execute their own software. For example, the Coutts et al. patent discloses:

> [T]he server is arranged to store applications and driver or other operational software for the peripheral devices and communication links can be provided from the server to individual peripheral devices to enable such software to be *downloaded from the server to the device.*
>
> <p style="text-align:center">* * *</p>
>
> With the disclosed architecture, appropriate software can be readily *downloaded from server 16* through link 17 at run time without the need to store every alternative driver program at the dispenser.

(Col. 3, lines 58-62; col. 11, lines 6-9) (Emphasis added)

Uploading code units from individual transaction units to a central controller—as recited in the pending claims—is contrary to the Coutts et al. patent which discloses downloading software from a central server 3 to individual peripheral devices.

At least for that reason, the pending claims are not anticipated by the Coutts et al. patent.

Furthermore, the systems disclosed by the Coutts et al. patent are disclosed as being useful in banking or retail applications (*e.g.*, ATM systems) where a central server exists. There is no reference to off-line systems such as vending machines, and no mention whatsoever of any system incorporating a currency or banknote validator.

Pending claim 7 relates to a validation unit incorporating the hardware and software needed for currency validation. In general, such a unit needs to be powerful enough to handle real-time signals generated at a rapid rate by the currency-reading hardware. Claim 7 is directed to the idea of using such a system that executes Java applications to control other transaction units which, generally speaking, would be less demanding in terms of processor requirements. That can achieve integration of the software, thereby providing some of the advantages mentioned on page 2, line 21 - page 3, line 6 of the present Specification. The Coutts et al.

Applicant : Allan et al.
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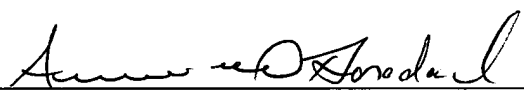Page : 10 of 10

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patent fails even to mention a currency validator and, therefore, does suggest the subject matter of claim 7.

It is believed that all of the pending claims have been addressed. However, the absence of a reply to a specific rejection, issue or comment does not signify agreement with or concession of that rejection, issue or comment. In addition, because the arguments made above may not be exhaustive, there may be reasons for patentability of any or all pending claims (or other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

Enclosed is a check for excess claim fees and a check for the Petition for Extension of Time fee. Please apply any other charges or credits to deposit account 06-1050.

Respectfully submitted,

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